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SUBJECT: MEDIA REACTION US PRESIDENT BUSH TO INDIA
ARGENTINA CHAIRS UNSC IDB LOAN FOR ARGENTINA HAITI
UNSCR 03/02/06

1. SUMMARY STATEMENT

Today's major international stories include US President Bush's trip to India; the IDB granting a loan to Argentina "in spite of US objections;" Argentina's supporting the strengthening of Haiti's Congress; and President Kirchner urging a 90-day halt to the construction of two pulp mills in Uruguay in order to allow for an environmental impact study.

2. OPINION PIECES AND KEY STORIES

- "Bush arrives in India to reach a polemic nuclear deal"

Leading "Clarín" reports (03/02) "With the purpose of strengthening a very important strategic alliance, US President George W. Bush arrived in India last night for a two-day visit in which the two countries expect to reach a polemic nuclear deal and boost trade exchange.

"... While some 50,000 people demonstrated against President Bush's visit, the US president is confident his trip will be fruitful.

"... According to expectations, the focus of the meetings will be Washington's cooperation with the Indian nuclear civil sector.

"... Bush's first visit to India coincides with India's increasing political and economic importance. Washington considers it a huge market and a counterweight to China in Asia."

- "Argentina chairs the UN Security Council"

Daily-of-record "La Nación" reports (03/02)
"Yesterday, Argentina started chairing the UN Security Council.

"The agenda of March includes several sensitive issues, such as the situation in Iran and Haiti, two issues in which Argentina has played a leading role.

"In the case of the Iranian nuclear threat, during the last International Atomic Energy Association (IAEA) meeting, Argentina supported the US proposal to submit the issue to the UN Security Council. Regarding Haiti, our country takes part in the international peace

force established in the Caribbean country.

"... Argentine Ambassador to the UN Cesar Mayoral, said a public session is expected in which Haitian president-elect Rene Preval will participate in order to assess the democratic development process in Haiti.

"Another important issue will be the nuclear crisis in Iran, Mayoral said IAEA director Mohamed El Baradei's attendance is expected."

- "Support for Haitian democracy"

Leading "Clarín" carries an op-ed piece by Jorge Arguello, deputy and head of the Argentine Foreign Relations Committee, who writes (03/02) "The Haitian situation recurrently hits the front-pages of newspapers due to the country's political instability, which multiplies the critical economic and social situation.

"... The presence of Argentina, Brazil, Chile and its Latin American partners was not limited to military cooperation but it implies cooperation in different aspects of Haiti's ordinary life.

"... As a consequence of the meeting we held in Port-au-Prince with President-elect Rene Preval a few days ago, we started to prepare a Congressional Strengthening Plan, which could be promoted by our congresses to support the Haitian Congress after years of closure."

- "The IDB grants a millionaire loan to Argentina in spite of US objections"

Ana Baron, Washington-based correspondent for leading "Clarín," writes (03/02) "The IDB approved a 500-million-dollar loan for Argentina, although all of the lending countries (the US, Italy, Japan, Germany, Spain and Holland) abstained from voting, except for Canada.

"During the debate..., directors of those countries agreed to praise Argentina's economic growth and fiscal surplus.

"However, there were objections on the way the inflation problem is being faced and also about the business atmosphere.

"... An Argentine diplomatic source told 'Clarín' that US Treasury Secretary John Snow phoned Argentine Ambassador to the White House, Jose Bordon, to tell him that the abstention vote did not mean a change in the policy on Argentina, but that they opposed these kinds of loans based on principles. This is weird because on some other occasions they OK'd loans of this sort for other countries. Furthermore, according to the source, the US Embassy in Buenos Aires will release a communiqué tomorrow reiterating Snow's statements."

- "The US expects the Argentine Government to make more progress in the struggle against drugs"

Ana Baron, Washington-based correspondent for leading "Clarín," comments (03/02) "The US wants deeds, not words. In the US State Department's annual International Narcotic Control Strategy Report, which was made public yesterday, the US Department of State points out that there are two leading cases that will provide an opportunity to assess whether or not the Argentine Government really means it when it says that it is willing to fight against corruption and drug trafficking.

"One of them is the case of the four federal police officers that are linked to the 116 kilos of cocaine found in a truck in Salta and the other case concerns four pieces of luggage containing 60 kilos of cocaine that were sent to Spain on a Southern Winds flight in September, 2004.

"... According to the US State Department INCSR, the Argentine Government is concerned about 'Bolivia's political instability,' which could undermine anti-drug efforts in that country and increase drug trafficking toward Argentina.

"The US still considers Argentina a transit country and not a producing country. According to the International Narcotics Strategy Control Report, cocaine comes from Bolivia, Peru and Colombia and goes to European destinations. Argentina is also a transit route for Colombian heroin en route to the U.S...

"The US is concerned because Argentina is a source for precursor chemicals which are used in Bolivia."

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